MARKETING TO HISPANICS

Perspectivas

Edited by Ed Fitch

NUMBERS GAME

PHONES KNOCK ON DOOR'S DOMAIN

More shots are being fired in the war over the merits of using telephone interviews to sample U.S. hispanics.

Detractors say phone ownership levels are not high enough to accurately represent the U.S. hispanic population (AA, Sept. 28). Strategy Research Corp., Miami, claims only 69% of U.S. hispanic households

Troy Thomas

have telephones and only 31% have listed numbers.

Market Development Inc., San Diego, reports 85% of hispanics have phones, claiming this makes phone sampling a viable, cost-effective research method.

"If 30% of hispanics don't have phones, you can't accept phone studies because too many are missed. But if only 10% or 15% of the total sample are excluded, it becomes an acceptable methodology," said Peter Roslow, director-marketing, Telemundo Group, New York.

As part of the television network's recent study of hispanics in Los Angeles, Miami, New York and San Francisco, Telemundo reports 40% of hispanics surveyed have listed phone numbers, 39% unlisted, 9% did not have a phone and 13% refused to say.

"A gray area exists on the question of whether a phone is available to them," Mr. Roslow said. "But the difference between the 9% [that say they don't have a phone] and the 30% that's often claimed shows that the 15% that the U.S. Census claimed was realistic." The 1980 census estimated 84% of households in the 11 largest U.S. hispanic markets had phones.

Hispanic research is geared to door-to-door interviews, and the infrastructure needed to perform phone surveys is not yet established, he said.

"Once the infrastructure is up, then savings will be realized. It's hard to pinpoint, but they could be up to 20%."

Phone surveys also offer greater control in interviewing, said Mr. Roslow, who started his career in the hispanic market as a researcher.

A recent study conducted by Information & Analysis, Hicksville, N.Y., for the Spanish Radio Advisory Council, New York, found respondents reported higher Spanish-language radio listenership when interviewed in person than when questioned by telephone (AA, Nov. 30). "There tends to be more bias in door-to-door," he said.

Mr. Roslow did not dismiss door-to-door methods; the Telemundo data was gathered via in-home interviews. "Whether you use phone or not depends on what you're looking to measure," he said.

It also depends on who you are measuring. MDI's study, which analyzed phone ownership in Chicago, Los Angeles, Miami, New York and San Antonio, shows the disparity in phone ownership between hispanics and non-hispanics is greatest at lower income levels.

English-dominant hispanics also are more likely to own phones than Spanish speakers, although this was not much of a factor in the bicultural markets of Miami and San Antonio.

According to Telemundo's findings, 93% of Miami respondents claimed to have a phone. However, that figure fell to 56% in San Francisco, which is experiencing a surge of new hispanic arrivals. In Los Angeles and New York, phone ownership stood at 75% and 77%, respectively.

In another move that bolsters phone methods, the SRAC recommended in early December that the Spanish-language radio industry use the same type of telephone sampling techniques utilized by I&A in its test. Beginning next spring, stations in 15 of the top 16 U.S. hispanic markets—Sacramento, Calif., a one-Spanish-language-station market, is excluded—are being asked to survey listeners by phone.

The SRAC, made up of representatives from such general-market agencies as D'Arcy Masius Benton & Bowles and Saatchi & Saatchi Advertising Worldwide and companies such as Procter & Gamble Co. and McDonald's Corp., said findings based on in-home interviews were too high to be believed and did not offer enough sampling controls and random selection, said Eduardo Caballero, president of Caballero Spanish Media, New York, who observed the meeting.

Although the stations his company represents may report lower listener levels, Mr. Caballero welcomed the request. "Now we won't have to sell the research concept. I prefer a 40 share that people believe vs. an 80 share that no one puts any faith in."

Mr. Caballero suggested that more media outlets will follow similar methodologies to satisfy general-market agencies and clients.

■ Other findings of the Telemundo study, conducted by **Market Opinion Research**, back up recent results of a **Univision**-sponsored analysis of hispanics TV viewing habits (AA, Nov. 30).

The Telemundo study reported that hispanics spend 6.7 hours each day watching TV. Of this, 4.9 hours are spent viewing Spanish-language TV.

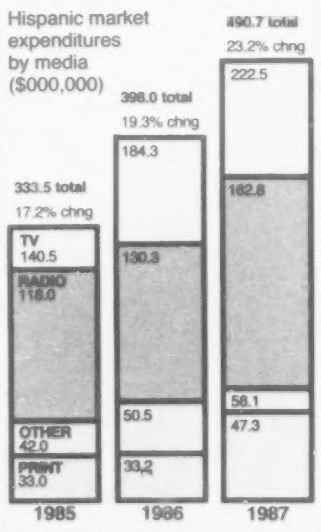
About 47% of respondents do not understand English at all or not very well. Even among those who understand English, almost 60% spend most or all of their time watching Spanish-language TV; 23% of the total sample watch English-language TV most of the time and only 6% watch it exclusively.

Concerning advertising, 64% said they would be more likely to buy products advertised on Spanish-language TV vs. English-language TV; 80% agreed that an advertiser that uses Spanish-language TV "really wants my business."

■ ***Hispanic Business,*** Santa Barbara, Calif., has released its annual study of hispanic market advertising expenditures.

Philip Morris Cos., New York, was rated the market segment's No. 1 advertiser. Philip Morris reportedly increased its spending 77.3% to $13.3 million in 1987. **Procter & Gamble Co.**, Cincinnati, slipped from No. 1 in 1986 to the No. 2 slot, spending $12 million, up 50% from 1986. **Adolph Coors Co.** jumped to the No. 3 position by boosting its budget 145% to $9.8 million.

The market steps up



Source: *Hispanic Business*

ON THE AIR

COLUMBIA SERIOUS ABOUT SITCOM

Columbia/Embassy Television, Burbank, Calif., is considering a Spanish-language broadcast of "Trial & Error," a sitcom scheduled as a midseason replacement and described as an hispanic-oriented "Odd Couple."

"It's not a reality yet," said Don DeMesquito, VP-corporate communications at Columbia/Embassy. "We're still studying whether it's technically possible."

Spanish-language broadcasts would be offered on CBS affiliates in the six largest U.S. hispanic markets when the show debuts in January or February. If the response is positive, the concept probably would be considered for additional markets and other shows, Mr. DeMesquito said.

■ Don Raider, exec VP-chief operating officer at **Telemundo Group**, New York, denied reports that the network has committed to a Spanish-language news show developed by **Cable News Network**, Atlanta. The CNN pilot reportedly would have replaced the network's "Noticiero Telemundo" news show, produced by **Hispanic-American Broadcasting Corp.** (HBC), Miami.

On Jan. 2, the network will launch "Telemundo SportsCenter," a Saturday afternoon feature that will cover boxing and soccer events and feature Olympic reports and sports news wrapups. An action/adventure-oriented programming block targeting men will be added on Jan. 16 to tie into "SportsCenter."

The network added "Estrenos y Estrellas," which reviews movies and TV shows, and features music videos and personality interviews.

Mr. Raider said the network's satellite probably will go up Jan. 11.

■ **Univision**, Los Angeles, also will expand sports programming in 1988, breaking into Saturday and focusing on auto racing, soccer and boxing events. A college football package also will be introduced.

A second two-minute daily sports brief will be added. **Adolph Coors Co.**, Golden, Colo., sponsored the segment in 1987.

"We had a 700% increase in billings in 1987," said Joe Weidensall, Univision's director-sports. "We represent 4% of programming, but 10% of ad revenue."

Univision also revamped its *novela* lineup, adding "El Camionero y La Dama" and "Rina" in the 7:30 to 9:30 a.m. slot and "La Dama de Rosa," "Quinceanera" and "La Indominable" from 7 to 10 p.m. Topo Gigio, the mouse puppet of "Ed Sullivan Show" fame, stars in a new variety/comedy show airing at 5 p.m. on Saturday.

■ "Sabado Gigante" again is the top-rated Univision show as measured by **Strategy Research Corp.**, Miami. During the Oct. 31 to Nov. 6 sweep, the game/variety show pulled a 43 household rating.

"La Dama de Rosa" and "El Pecado de Oyuki" followed with 41 and 36 ratings, respectively. The network's early evening weekday news also pulled a 36 rating. The network's Sunday night movie followed with a 27 rating.

SRC will begin rating Telemundo programming shortly.

■ **UPI Radio Noticias**, Washington, will add weekend hourly news reports to its Monday-through-Friday broadcasts. Sports reports likely will be added in 1988.

SHOP TALK

NEW SHOP HOPES CABLE ADS SELL

Joseph Orbi, formerly VP-creative director of AC&R/Rossi, New York, and his brother George opened Orbi & Orbi in Hartsdale, N.Y. The agency handles Executive Coffee Break, a division of San Juan, Puerto Rico-based Cafe Crema, and the Westchester Opera, Ossining, N.Y., said Joseph Orbi, chairman. George Orbi will be president.

The agency will run 30-second, English-language cable spots in New York to attract clients, and will pursue both hispanic and general-market advertising accounts.

■ **WPP Group**, London, acquired **Mendoza, Dillon & Asociados**, Newport Beach, Calif. (AA, Dec. 21).

MAIN EVENT

PEPSI FINDS KEY TO PROMOTIONS

Pepsi-Cola USA, Somers, N.Y., has found the key to encouraging hispanic participation in promotions. In November Pepsi gave away $150,000 toward the purchase of a home to the winner of a Univision-televised contest.

Following a weekend of wining and dining 10 finalists in Los Angeles, Luz Ayalla Carrillo, a housewife from Buena Park, Calif., won the contest, in which finalists tried to unlock the door of a toy house.

For 11 weeks before the event, Pepsi placed nine TV spots weekly on Univision promoting the contest and aired a weekly lottery drawing-style segment during which finalists were selected. Point-of-purchase material, print ads and radio spots supported the "Dream House" contest, via agency Publicidad Siboney, New York.

The contest was an extension of a similar promotion created last year by Pepsi's Los Angeles-area bottler. "We saw it as a good opportunity to do something larger. This is the first promotion of its type nationally," said Hernand Gonzalez, Pepsi's director-hispanic marketing.

Bottlers in Miami and San Antonio, Texas, localized the promotion, also giving away $150,000 toward home purchases in concurrent contests. The Los Angeles bottler offered new furniture.

Response was extremely strong, because hispanics are not jaded by promotional saturation, said Nilda Velez, Siboney's promotions manager. "The effect on sales can't be measured yet, but we generated a phenomenal number of entries. We started with a normal size raffle drum and had to transfer to a swimming pool," she said.

Mr. Gonzalez said the prize's unusual nature encouraged response. "It's not the usual trip or sweepstakes. It creates a lot of excitement among consumers and at retail," he said. "Early reports from the store level are strong."

PRODUCT & ACCOUNT ACTIVITY

■ **Seven-Up Co.**, Dallas, named **Casanova, Pendrill Publicidad**, Irvine, Calif., its first hispanic agency of record. The agency will concentrate on creating a national campaign, and also is expected to work with bottlers.

■ **Polaroid Corp.**, Cambridge, Mass., reassigned its hispanic account to **Conill Advertising**, New York, after having been inactive in 1986. Budget has not been established yet, but Fil Fernandez, Polaroid's marketing program manager-hispanic market, said the account will be very active.

Standard Brand Paint Co., Torrance, Calif., $500,000 account also to Conill (AA, Dec. 14).

■ **Frito-Lay**, Plano, Texas, has assigned **Merced Benitez Machin & Asociados**, San Juan, Puerto Rico, to handle its hispanic marketing and promotional activities in Miami. Casanova, Pendrill remains Frito-Lay's hispanic agency of record.

Doug Boyle, Frito-Lay's director-field marketing/west, cited MBM's proximity to the Miami market as the reason. He also said Frito-Lay's hispanic budget would increase significantly in 1988.

■ **Kraft Inc.**, Glenview, Ill., will introduce two more products to hispanic markets via Spanish-language media in 1988. In addition to Kraft mayonnaise and Kraft Singles, the company will promote Parkay spread and a yet-undetermined fourth brand via **J. Walter Thompson Hispania**, Chicago.

■ **WIND-AM** named **San Jose & Associates**, both in Chicago, to handle advertising, promotions and public relations.

■ **San Diego Wild Animal Park and Zoo** named **Latin Ad**, San Diego, its first hispanic agency of record.

■ **Warehouse Grocery** has appointed **Montemayor & Asociados**, both located in San Antonio, Texas, its first hispanic agency of record. The assignment covers advertising, media placement and promotional planning.

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$2.00 a copy; $64 a year

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January 4, 1988

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Advertising Age

Crain's International Newspaper of Marketing

How GM is shifting gears

A fresh look at the future

By RAYMOND SERAFIN

DETROIT—General Motors Corp. will make a major effort to revive its sagging image by trumpeting its futuristic technology in an invitation-only show this week at the Waldorf-Astoria Hotel in New York.

But with much less fanfare, GM is putting into place a new market-segmentation scheme that is far more crucial to the automaker's recovery than any gee-whiz technology.

The segmentation strategy departs from the elegantly simple scheme, developed in the 1920s by then-President Alfred Sloan, that has guided GM since that time.

Mr. Sloan envisioned GM's divisions as a price ladder, a system that worked with little change for a half-century and helped GM become the world's biggest automotive company.

Under Mr. Sloan's system, Chevrolet brought the first-time car buyer into the GM system at the lower rung, and, as that customer became more affluent, he moved up to Pontiac, then Oldsmobile, Buick and, finally, Cadillac.

Now the ailing giant faces new challenges, and Chairman-CEO Roger Smith is working to reposition the company for leadership in the 21st century.

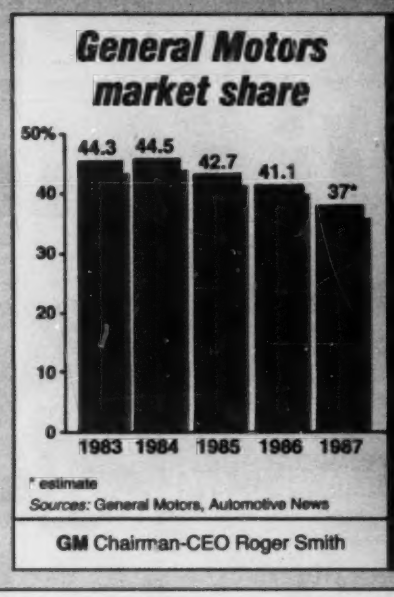
GM's share of the U.S. automobile market dropped to 37% from about 42% during the 1987 model year.

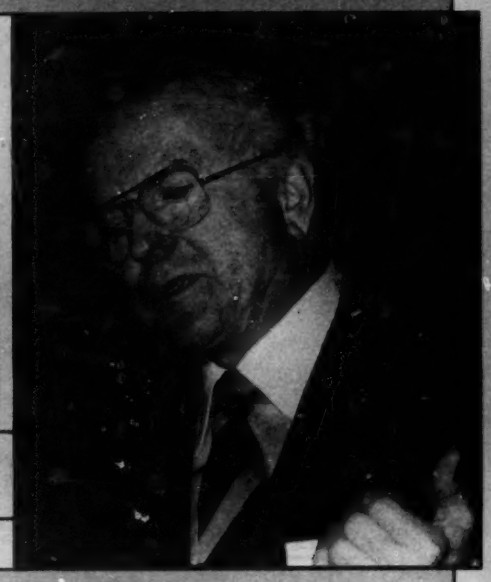
Additionally, the company's earnings are lagging behind archrival Ford Motor Co. for the second straight year and GM is saddled with the highest unit costs in the business.

"We've been competing too much with ourselves, while our competitors carved out parts of the market where we didn't compete," said Jay Qualman Jr., general advertising director for the Buick division.

Crucial to the new segmentation

(Continued on Page 42)





GM Chairman-CEO Roger Smith

Last Minute News

Riney may keep some Gallo work

MODESTO, CALIF.—Hal Riney & Partners, San Francisco, which resigned the $75 million E&J Gallo Winery account last month (AA, Dec. 7), may keep an undetermined piece of the Gallo business, an agency source said. There is speculation Gallo may split the business among at least three shops. Senior executives from Wieden & Kennedy, Portland, Ore., met with Gallo Chairman Ernest Gallo. N W Ayer, New York, which handles Gallo media buys, apparently also is under consideration.

Polaroid seeks shop for new camera

CAMBRIDGE, MASS.—Polaroid is seeking an agency to handle an inexpensive camera aimed at teens. It reportedly is talking to Goodby, Berlin & Silverstein, San Francisco, and other shops about the $1 million-to-$2 million account. BBDO Worldwide, New York, is Polaroid's agency of record.

P&G moves $10M Pantene account to Grey

CINCINNATI—Procter & Gamble Co. has moved its $10 million Pantene

(Continued on Page 8)

Campbell faces Nissin with Oriental soup

Bow to the East

By JUDANN DAGNOLI

Campbell Soup Co., a relative newcomer to the instant-soup market, is poised to combat the success of "the Japanese threat" with its own Oriental-style entry.

The Camden, N.J.-based company is developing an Oriental dry soup for market testing early this year. Tentatively called Noodle Nest, the product is expected to have 80% less fat than other dry Oriental-style soups.

No agency has been assigned the new product.

Campbell USA President Herb Baum often has referred to the success of Oriental noodle soups as "the Japanese threat" and said the company was gearing up to match the Japanese production efficiencies.

The U.S. marketer recently introduced its first national entry in the dry-soup arena, Campbell's Cup (AA, Aug. 3). Backer Spielvogel Bates, New York, handles.

Meanwhile, potential Campbell competitor Nissin Foods is claiming victory in the $460 million dry-soup war over category leader Thomas J. Lipton Inc.

Gardena, Calif.-based Nissin, marketer of Top Ramen, Oodles of Noodles and Cup O' Noodles soups, said it surpassed Lipton in dry-soup unit sales for the first time for the 52-week period ended Oct. 9.

The company said it had a 23.2% share of the total

(Continued on Page 8)

Brit spaceways

"Spaceflight," a 60-second TV commercial for British Airways, heads for the U.S. this year. The spot features a supersonic Concorde flying to the moon and Mars. Saatchi & Saatchi, London, created.

Marketers learn: Make plans now or yule be sorry

An Advertising Age roundup

As the 1987 holiday season becomes a ghost of the past, marketers already are preparing for the Christmas yet to come.

"For many of our clients, plans for this year's Christmas have to begin now, in terms of planning new products and buying media," said one executive at Chiat/Day, Los Angeles.

The toy industry, having learned some lessons from disappointing Christmas sales last year, is expected to promote its 1988 lines earlier in the year and to become less dependent on tie-ins with animated children's TV programs, industry observers said.

By advertising earlier, companies will be able to separate the hits and duds sooner and plan Christmas marketing strategies before the fourth quarter.

Tonka Corp., Minnetonka, Minn., is pinning its hopes on the

(Continued on Page 42)

South shops merge

Move forms $125M agency

By JO BETH McDANIEL

ATLANTA—Tucker Wayne & Co., the largest independent ad agency here, is merging with Luckie & Forney, Birmingham, Ala., to form a $125 million Southeastern shop.

The merger follows an agency shakeout here and creates Tucker Wayne/Luckie & Co., the city's largest ad shop. Tucker Wayne & Co. was an $82 million shop; Luckie & Forney's billings are $47 million.

The merger will make both shops "more competitive on the national and regional advertising scene," said Knox Massey Jr., Tucker Wayne president.

"The $10, $20, $50 million accounts are increasingly disenchanted by the mega-agencies," he said. "When you pass $100 million, you pass the threshold of capabilities and services to feed into major advertisers. But it's not like getting lost in a $4 billion agency."

Though the client rosters of the two agencies are remarkably similar, there are no client conflicts, said Robert Luckie, chairman-ceo of Luckie & Forney, who will remain head of the Birmingham office.

The two agencies handle separate BellSouth divisions, Southern Bell in Atlanta and South Central Bell in Birmingham. Other major clients include two large bakeries and three banks—SouthTrust of Alabama, SunTrust of Florida and Trust Co. of Georgia.

The move caps off a yearlong series of Atlanta mergers that saw independent Burton-Campbell swallowed by Earle Palmer Brown Cos., Bethesda, Md.; Omnicom Group's Cargill, Wilson & Acree merged into its Dallas-based Tracy-Locke; and Atlanta's oldest agency, Liller Neal, purchased by Noble Communications, Springfield, Mo.

The two offices will operate separately, with principal officers retaining their titles and no staff changes expected.#

Lotus ethics suit against agency may be settled

By ALAN RADDING

BOSTON—A controversial client-agency battle over ethics is moving into the next stage, and it may result in an out-of-court settlement.

Rossin Greenberg Seronick & Hill filed its countersuit against Lotus Development Corp. last week, charging the software marketer with damaging the agency's reputation.

N. Hill

Lotus has accused Rossin of trying to market trade secrets to software rival Microsoft Corp. in the course of pitching for that advertiser's business (AA, Dec. 21). Two Rossin employees used to work for Lotus agency Leonard Monahan Saaybe, Providence, R.I.

Sources close to the case, however, report that contact between Cambridge, Mass.-based Lotus and the ad agency has been established, and efforts are under way to negotiate a quick out-of-court settlement.

The countersuit was filed after a Dec. 28 ruling against the ad agency in Suffolk Superior Court. In that ruling, the court favored Lotus' request that the proceedings be kept private to protect confidential information. The countersuit was filed in the same court.

The agency opposed the request because its primary defense is that it never had any confidential information to release.

Lotus charged RGS&H with trying to "sell" Lotus trade secrets in an effort to win accounts.

"We're still waiting for Lotus to tell us what is the confidential information that we have. We don't have any," said RGS&H President Neal Hill.

Lotus executives were not available to comment following the Dec. 28 ruling.

Lotus' Dec. 11 lawsuit cited a flier that RGS&H sent to Microsoft, Redmond, Wash.

In the flier, the agency implied it had access to Lotus' plans through the work of the two new employees. LMS joined Lotus' suit the next week.#

Highlights

NEWS

4 Jovan spots boost Beecham
Beecham Cosmetics may be on the selling block, but it still plans a major Olympics-year marketing push.

18 Launch of the liquids overseas
Colgate-Palmolive Co.'s rollout of its Galaxy liquid dishwasher detergent is sparking a flow of new-product launches in Europe.

19 Chrysler wages European push
Chrysler will back its re-entry into the European passenger car market with a multimillion-dollar ad effort, starting next March in West Germany.

20 Shopping net faces turmoil
Home Shopping Network could lose money this fiscal year if it fails to control expenses and expand its customer base.

36 Studios target tape rentals
Home video companies are determined to revive lagging consumer interest in video rentals with unprecedented first-quarter multimillion-dollar ad blitzes.

40 Shopping for a niche
Natural grocery stores are seeking a larger share of the retail food market by shedding their granola and tofu image to appeal to young professionals.

41 Female voice-overs still numbered
Despite a study last year that indicated women's voice-overs are as effective as the male voice, agencies and marketers have not dramatically increased use of them.

43 Homeless featured in PSA
Award-winning director Leslie Dektor has created a wrenching public service spot highlighting the plight of the homeless.

INTERNATIONAL

22 Charro challenges Benetton
Charro SpA, an aspiring Italian fashion design company, is battling Benetton and Stefanel head-on for control of the international youth clothing market.

AD REVIEW: Garfield looks at music. P. 46.

Prepaid cards: The jingling of pocket change in Japan may be a thing of the past, as prepaid magnetic cards gain popularity to pay for phone calls or railway tickets. Consumers are even being allowed to design their own cards *(above)*. McDonald's Japan Corp. plans to introduce them soon. Page 22.

Departments

Brady	26
Brady's Bunch	36
Global Gallery	28
MediaWorks	31
PeopleWorks	32
Photo Review	30
Viewpoint	12, 14, 16

Vol. 59, No. 1—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semiweekly the fourth week in March and the fourth week in September at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. AD AGE is available for electronic retrieval on the NEXIS® Service, Mead Data Central, Inc., P.O. Box 933, Dayton, O. 45402 (800 227-4908). $2.00 a copy, $84 a year, $108 two years. Add $104 per year for air delivery to Europe & Middle East. Add $34 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; JOHN HUFFMAN, fulfillment director; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207 1-800-992-6970.

Top execs involved

Fallon McElligott act 'shocks' city

By BOB GEIGER

MINNEAPOLIS—Fallon McElligott stirred up a controversy here after playing a crude joke on a woman who criticized a presentation by FM's design subsidiary.

The issue began when Charles S. Anderson, a partner in FM subsidiary Duffy Design Group, made a marketing presentation at Mankato (Minn.) State University attended by Neala Schleuning, director of MSU's Women's Center and a doctorate in American studies.

Ms. Schleuning wrote Mr. Anderson after the October presentation and complained about the use of the words "bitches" and "whores" in agency ads shown by Mr. Anderson. She called it a "male gonad style of doing business."

On Nov. 6, Mr. Anderson sent Ms. Schleuning a letter stating that Duffy was "re-examining not only our approach to design but to life as well." He enclosed a photo of an African Dinka tribe boy's mouth pressed against a cow's anus in a ritual, and suggested Ms. Schleuning write or visit the Dinkas to "put an end to this horrible practice."

Ms. Schleuning sent copies to the Minnesota Women's Consortium, and on Nov. 25 the group wrote Fallon McElligott, after which FM Chairman Patrick Fallon and VP-Creative Director Tom McElligott wrote separate Dinka-related letters that insulted Ms. Schleuning.

Mr. Fallon offered to pay half of Ms. Schleuning's expenses "(or *full* expenses, one way)" for the trip alluded to by Mr. Anderson. "You, Doctor, are the person to handle this problem," the letter said.

Mr. McElligott in his letter told Ms. Schleuning that her doctorate "may not be in English" and said her letter was "amusing" FM's employees.

The Women's Consortium then mailed 35 copies of the series of letters to local media and four FM clients: Federal Express Corp., US West, *The Wall Street Journal* and Wolverine World Wide.

Most ad executives here did not want to comment officially on the matter, which got newspaper coverage, but anonymously said they were shocked or appalled by the FM letters.

FM finally apologized in a Dec. 29 letter to Ms. Schleuning from Mr. Fallon.

"There really can be no excuse or explanation for our behavior," he wrote, "except that we allowed our reaction to your criticism to sweep us beyond the bounds of judgment, taste and common decency. It shouldn't have happened, and it won't happen again."

Mr. Anderson told ADVERTISING AGE he sent the picture of the Dinka boy as a joke, meaning there were bigger problems than sexism to worry about in the world. He said he did not intend for his letter to "hurt [Ms. Schleuning] personally" and added that he is sorry.

He said there has been no reaction from FM clients.#

Underneath the covers

'Vanity Fair' adds to glitter

By PATRICK REILLY

In less than four years, *Vanity Fair* has gone from near-disaster to a *bona fide* success by chronicling celebrities on the order of Liza Minnelli and Calvin Klein.

But Editor Tina Brown, 33, the engineer of its revival, is not content with just lightweight patter, and in 1988 plans to add substance to the glitter.

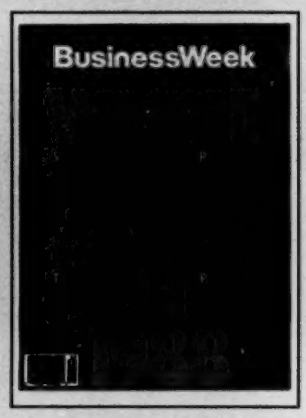
After years of heralding the antics of the chic, wealthy and powerful, *Vanity Fair* is showing its serious side. The January cover of the Conde Nast Publications monthly features presidential candidate Jesse Jackson. It is a weighty selection compared to former subjects, such as Cher, Farrah Fawcett and Bette Midler, but it is an indication of where *Vanity Fair* is heading.

"Even if the sales of the Jesse Jackson cover are not good, it is a cover we needed to do," Ms. Brown said.

Vanity Fair Publisher G. Douglas Johnston said that in 1988, *Vanity Fair* will show it can delve into important social issues. "People now understand we aren't just about trends. We are a chronicle of our time," he said. "We are no longer just entertaining. We are entertaining and important."

The magazine's comeback has fueled speculation that

(Continued on Page 45)



1987 shows ad-page boom

Vanity Fair

Year	ad pages	% change
1984	335	NA
1985	431	29
1986	597	39
1987	866	45

Business Week

Year	ad pages	% change
1984	4,972	7
1985	4,214	(15)
1986	3,893	(7)
1987	4,708	21

Business book surges ahead

By PATRICK REILLY

Business Week proved in 1987 it was the workhorse in the stable of magazines at McGraw-Hill Publications Co. But in 1988, the weekly business news magazine may have to work even harder.

Though a generous space credit program appears to have helped pump up ad pages, the weekly had an undeniably robust year. *Business Week* raised its rate base three times in the past 13 months, newsstand sales rose 50% in the first six months of 1987 and total ad pages rose 21% over 1986.

The magazine is expected to make up more than half of the company's estimated $60 million operating profit in 1987, industry sources said. "*Business Week* this year will make up for a number of poor performances in the publication company," said one industry expert.

Harold "Terry" W. McGraw III, who oversees *Business Week* as president of the New York-based publications company, said he is pledged to making the magazine the "best editorial product of its kind."

Mr. McGraw has targeted a circulation of 1 million by 1990. That would be an increase of more than 17% from current levels. He said he also will increase the editorial

(Continued on Page 45)

World News Roundup

TORONTO—Cineplex-Odeon, North America's second-largest theater chain, reinstituted cinema advertising a year after dropping the idea when customers objected. A 90-second spot for Fisher home electronics, created by Torobin Advertising here, was among the first to be shown.

MADRID—Channel 10, Europe's first Spanish-language satellite TV station, which starts broadcasting this month, will take no advertising initially but may later. Channel 10 is owned jointly by Radio Tele Luxembourg, French-based Canal Plus, an Andorra-based savings bank and a group of entrepreneurs.

HONG KONG—Dentsu will open an office here this month. Sogo and Daimaru, Japanese department stores and Dentsu clients, reportedly are interested in starting operations here. HDM, in which Dentsu is a partner, already has an office here. Separately, Dentsu is opening its Convention Business Division in Tokyo this month to develop business in this area.

DUESSELDORF—Cinzano is breaking a $1.4 million ad campaign in West Germany highlighting Asti Cinzano, the best-selling Italian wine in the country. Westag, Cologne, handles.

BARCELONA—Henkel picked GGK to handle the European launch of its City Men's body deodorant. In Spain, Henkel moved its Shim shower gel and Polykur shampoo brands, worth an estimated $1.5 million in billings, to HDM from GGK.

FRANKFURT, WEST GERMANY—Fiat is expected to pick Michael Conrad & Leo Burnett for the introduction of Tipo autos. D'Arcy Masius Benton & Bowles here and R.G. Wiesmeier Werbeagentur, Munich, also pitched.

SYDNEY—The Australian Trade Practices Commission is blocking Rupert Murdoch's News Corp. from buying John Fairfax Ltd.'s

(Continued on Page 22)

Time is money to nets: $121,860 per :30 spot

By VERNE GAY

NEW YORK—The Big 3 TV networks charged a record $121,860 for an average 30-second prime-time commercial in October 1987, 8% more than the cost one year earlier.

Newly released figures show each network boosted its average 30-second charge, with NBC leading the way and its rivals registering only small increases.

Ratings leader NBC got an average of $150,625 per :30, a 20% increase, while ABC had an October average of $111,800, a 6% increase. CBS trailed with a $103,130 average :30 cost, a 2% increase.

ABC's prime-time average was complicated by "Monday Night Football," which sold at reduced rates in October because of the National Football League players' strike. ADVERTISING AGE's average reflects what the games would have sold for under normal circumstances.

The numbers for October, the first full month of the new TV season,

> The numbers for October provide the first glimpse of the networks' hugely successful 1987-88 upfront sales market.

provide the first glimpse of the networks' hugely successful 1987-88 upfront sales market, the period earlier last year when inventory went on sale as much as 52 weeks in advance.

At that time, the networks secured double-digit price increases in cost-per-thousand rates.

Each network has roughly 1,144 prime-time :30s per month, which means the three networks together had a $418 million prime-time sales bonanza in October, not counting the World Series telecasts. Total October network sales for all dayparts were $946 million, according to a Televison Bureau of Advertising analysis.

Due to viewership patterns and advertiser demand during the holiday period, prices are somewhat lower now, while prices in November '87 and April and May of this year, both peak periods, will be higher. November and December figures have not been released.

By using $418 million as a monthly average throughout the 1987-88 broadcast year, the networks could reap $5.019 billion in prime-time ad revenues this year,

(Continued on Page 44)

Ad awareness on the upswing

AdWatch survey of advertising awareness Top 10 in November

One thousand people were asked: Of all the advertising you have seen, heard or read in the past 30 days, which advertisement first comes to mind? Source: SRI Research Center, Lincoln, Neb.

Rank 11/87	10/87	Advertiser	Agency
1	1	California Raisins	Foote, Cone & Belding
2	3	Budweiser/Bud Light	D'Arcy Masius Benton & Bowles/DDB Needham
3	4	Coca-Cola	McCann-Erickson
4	7	Pepsi-Cola	BBDO Worldwide
5	5	Miller/Miller Lite	J. Walter Thompson USA/Backer Spielvogel Bates
6	8	Ford	J. Walter Thompson USA
7	2	McDonald's	Leo Burnett USA
8	8	Chevrolet	Lintas:Campbell-Ewald
9	—	Toyota	Saatchi & Saatchi DFS
10	—	Tide	Saatchi & Saatchi DFS Compton

By SCOTT HUME

Let's enter the new year on a positive note.

The discussions of personnel layoffs, economic recession, account losses and agency and advertiser belt-tightening that dominated last year's news may have obscured a small but interesting trend: Consumers are paying more attention to advertising.

The California Raisin Advisory Board's campaign was the best-recalled advertising in November, the monthly adWatch survey showed. But possibly more significant was that only 32.2% of those polled were unable to name a specific advertisement when asked to recall the first that came to mind.

That percentage may seem high, but it is comparatively low. Of the 1,000 people interviewed for the November 1986 survey, 49.8% drew a blank when asked which advertising they recalled first.

For the survey taken 18 months before the recent survey, the percentage of the sample who did not recall any advertising was almost as high, with 47.1% coming up dry.

The same trend appears in the results for product-specific advertising recall. In November, 13.6% said they could not recall a single ad they had seen, heard or read for soft drinks. A year ago, the "don't knows" accounted for 19.5% of the replies in the soft-drink category. Eighteen months ago, it was 14.5%.

When respondents were asked in November to name the first pet food

(Continued on Page 44)